



Texas Juvenile Justice Department
State Financial Assistance
Contract and General Grant Requirements
2014 - 2015 Biennium

This is an agreement between the State of Texas, represented by and through the Texas Juvenile Justice Department, hereinafter called the "Department," and the juvenile board of _____ County/Judicial District, hereinafter called the "Grantee." In consideration of the mutual agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Department and the Grantee, for the consideration hereinafter detailed, make the following agreements.

I. **PURPOSE AND SCOPE OF CONTRACT.** The purpose of this State Financial Assistance Contract, hereinafter referred to as the "Contract," between the Department and the Grantee is to delineate the duties and responsibilities of both the Department and the Grantee regarding the distribution, receipt and expenditure of state financial assistance funding under the applicable individual grants referenced herein.

II. **INCORPORATED DOCUMENTS.**

2.1. **Incorporated Documents.** The following documents are an integral and necessary part of this Contract and are hereto attached and incorporated herein:

2.1.1. **Exhibits.**

2.1.1.1. Exhibit A. *General Grant Requirements for the Distribution and Expenditure of State Financial Assistance and Individual Grants*

2.1.1.2. Exhibit B. *Juvenile Board Resolution*

2.1.2. **Appendices.**

2.1.2.1. Appendix I. *Expenditure Guidelines*

2.2. **Documents Incorporated by Reference.** The following documents are incorporated by reference into this Contract and the provisions are binding on the Grantee.

2.2.1. **Requests for Proposals.** Requests for proposal are Department Requests for Proposals (RFPs) and/or Requests for Application (RFAs) that solicit applications in connection with any individual grant hereunder.

2.2.2. **Contract Structure.** The Contract is a unified contract that sets forth the basic requirements, duties and responsibilities of the Department and the Grantee. This Contract contains the general requirements applicable to the distribution, expenditure, and administration of state financial assistance funding and individual grants. It is supplemented by the documents incorporated by reference as Exhibit "A" in Subsection 2.1.1.1, which include the "General and Individual Grant Requirements." The general grant requirements specified in the State Financial Assistance Contract contain provisions that are applicable to state financial assistance funding and each individual grant awarded or distributed under this Contract. Additionally, each individual grant, identified by name and by letter, outlines the provisions relating to requirements for the administration of that particular grant. The State Financial Assistance Contract, which includes the General and Individual Grant Requirements in Exhibit A and the applicable grant provisions, should to the extent there is no conflict, be read and interpreted as a single document. The Grantee shall be bound by the duties, responsibilities and

requirements of each part of this Contract. If any specific provision contained in the General and Individual Grant Requirements conflicts with any provision in an individual grant, the specific individual grant provision controls.

- 2.2.3. **Expenditure Guidelines.** A set of guidelines establish the general principles for determining the allowable costs incurred by the Grantee under grants, contracts and other agreements with the Department utilizing state funding. The Expenditure Guidelines are incorporated by reference as an appendix to the General and Individual Grant Requirements.
- 2.2.4. **Grant Manager Web Application.** Grant Manager is a web-based software application developed by the Department to facilitate the online application, performance reporting, management, and expenditure reporting of the State Financial Assistance Contract and Individual Grants administered by the Department. The Grantee shall utilize the Grant Manager system as directed by the Department to complete fiscal processes associated with this Contract such as the online submission of the budget application, individual grant plans and program expenditure reports. The Grantee shall submit a *Grant Manager User Authorization Form* in the format specified by the Department in order to gain secure access to the Grant Manager system. The Department shall establish the minimum system requirements necessary for the Grantee to access the online application.
- 2.2.5. **Chapter 343 Addendum.** The *Chapter 343 Addendum* sets forth the compliance criteria and verification procedures utilized by the Department to monitor and inspect secure pre-adjudication detention facilities and secure post-adjudication correctional facilities under the Department's oversight. The obligations specified in the *Chapter 343 Addendum* shall control, to the extent that a conflict exists with the provisions of this Contract, the General and Individual Grant Requirements or other resource documents incorporated into the State Financial Assistance Contract.

III. **DEFINITIONS.** The following words and terms when used in this Contract shall have the following meanings unless the context clearly indicates otherwise.

- 3.1. **Active Juvenile Officer Certification.** An officer shall be required to maintain an active certification in order to perform the duties of a juvenile probation officer or juvenile supervision officer. The individual and the employing department shall ensure that all requirements under Texas Administrative Code Chapter 344 are met in order to maintain the certification in active status.
- 3.2. **Authorized Designee.** An authorized designee is any person, entity, state agency or federal agency to whom authority has been contractually or statutorily delegated to act in cooperation or consultation with the Department regarding any program or service provided under any individual grant, (e.g., Texas State Auditor's Office, Texas Comptroller of Public Accounts Office, Department of Family and Protective Services, Department of State Health Services, Department of Aging and Disability Services, U.S. Department of Justice, U.S. Bureau of Justice Statistics, and private auditors).
- 3.3. **Caseload.** Caseload refers to the juveniles for whom a certified juvenile probation officer is authorized under the Department's standards to provide probation supervision and services.
- 3.4. **Chief Administrative Officer.** Regardless of title, the chief administrative officer is the person hired by a juvenile board who is responsible for oversight of the day-to-day operations of a juvenile probation department including the juvenile probation department of a multi-county judicial district.
- 3.5. **Community-Based Program.** Community-based program refers to an array of rehabilitation services for juvenile offenders and their families provided in local communities, including, but not limited to, non-residential and residential services, transition programs and services, and aftercare programs.
- 3.6. **Fiscal Officer.** Fiscal officer is a county or district auditor or treasurer or their designee, provided the designee is a qualified accountant or bookkeeper.
- 3.7. **Foreign Authorities.** Foreign authorities may include consulate officers as well as the respective law-enforcement, children-service, social-service and immigration-service agencies in the areas served by the Border Children's Justice Project outside the continental United States.

- 3.8. **Foreign National.** A foreign national refers to a juvenile who is a citizen of Mexico or a country in Central or South America and not a United States citizen.
- 3.9. **Formal Referral.** A formal referral occurs when all three of the following conditions exist:
- 3.9.1. Delinquent conduct, conduct indicating a need for supervision or violation of probation was allegedly committed;
 - 3.9.2. The juvenile probation department has jurisdiction and venue; and
 - 3.9.3. Either face-to-face contact occurs with the office or official designated by the Grantee or written or verbal authorization to detain the juvenile is given by the office or official designated by the juvenile court.
- 3.10. **Inter-County Transfer Officer.** The inter-county transfer officer is the person designated by the chief administrative officer to act as the contact person for all matters involving the transfer of juvenile probation supervision between counties.
- 3.11. **Juvenile Justice Program.** A juvenile justice program is a program operated for the benefit of juveniles referred to the juvenile probation department and that is wholly or partly operated by the juvenile board or by a private vendor under contract with the juvenile board. This term also includes juvenile justice alternative education programs (JJAEPs) and non-residential programs that serve juveniles that have been referred to the juvenile probation department and who are under the jurisdiction of the juvenile court. If a juvenile justice program is operated in a facility licensed or operated by a state agency, the facility must be registered with the Department.
- 3.12. **Juvenile Probation Officer.** A Juvenile Probation Officer (JPO) is an individual whose primary responsibility and essential job function is to provide juvenile probation services and supervision duties authorized under statutory and agency administrative law that can only be performed by an active certified juvenile probation officer in good standing with the Department.
- 3.13. **Juvenile Probation Services.** Juvenile probation services are services provided to juvenile offenders under the jurisdiction of the juvenile court by or under the authority of the Grantee and provided by the juvenile probation department or other entity, including services contracted with third-party service providers, in response to a policy or directive instituted by the governing juvenile board or to an order issued by a juvenile court and under the court's direction, including:
- 3.13.1. Protective services;
 - 3.13.2. Prevention of delinquent conduct and conduct indicating a need for supervision;
 - 3.13.3. Diversion;
 - 3.13.4. Deferred prosecution;
 - 3.13.5. Foster care;
 - 3.13.6. Counseling;
 - 3.13.7. Supervision;
 - 3.13.8. Diagnostic, correctional and educational services; and
 - 3.13.9. Services provided by a juvenile probation department that are related to the provision of services or operation of a pre- adjudication secure detention facility, a short-term secure detention facility (i.e., holdover), a post-adjudication secure correctional facility, a non-secure correctional facility, a residential child-care facility, a juvenile justice alternative education program or a juvenile justice program.

- 3.14. **Juvenile Supervision Officer.** A Juvenile Supervision Officer (JSO) is an individual who holds an active juvenile supervision officer certification and whose primary responsibility and essential function is the supervision of juveniles in a juvenile justice program or juvenile justice facility.
- 3.15. **Non-Residential Services.** Non-residential services are services or programs provided to a juvenile who has not been placed in a residential facility or services or programs provided to a juvenile who has been placed in a residential setting. The services or programs are not included in the cost per day for the juvenile's placement. The following services/programs are considered non-residential:
- 3.15.1. Psychological, psychiatric and other professional diagnostic, evaluation and therapeutic treatment services;
 - 3.15.2. Medical and dental diagnosis, evaluation, treatment and supplies;
 - 3.15.3. Mental health diagnosis, treatment and supplies;
 - 3.15.4. Vocational and educational fees and supplies;
 - 3.15.5. Transportation and meals;
 - 3.15.6. Clothing and personal hygiene supplies; and
 - 3.15.7. Other non-residential services and programs.
- 3.16. **Non-Secure Correctional Facility.** A non-secure correctional facility refers to a facility that is registered as a Non-Secure Correctional Facility with the Department and that is governed, partly or wholly, by 37 Texas Administrative Code 355.
- 3.17. **Out-of-State Residential Placement Facility.** An out-of-state residential placement facility refers to any residential child-care or residential placement facility in a state outside of Texas, both public and private that is licensed, regulated or certified by a governmental entity in the state where the facility is located.
- 3.18. **Post-Adjudication Secure Correctional Facility.** A post-adjudication secure correctional facility refers to a secure facility administered by a juvenile board or a privately-operated facility certified by the juvenile board that includes construction and fixtures designed to physically restrict the movements and activities of the residents and that is intended for the treatment and rehabilitation of juveniles who have been adjudicated.
- 3.19. **Pre-Adjudication Secure Detention Facility.** A pre-adjudication secure detention facility refers to a public secure facility administered by a juvenile board or a privately-operated facility certified by the juvenile board that includes construction and fixtures designed to physically restrict the movements and activities of juveniles or other individuals held in lawful custody. Pre-adjudication facilities are intended for the temporary placement of any juvenile or other individual who is accused of having committed an offense and is awaiting court action, an administrative hearing or other transfer action.
- 3.20. **Prevention and Early Intervention Services.** Prevention and early intervention services refer to programs and services intended to prevent or intervene in at-risk behaviors that lead to delinquency, truancy, dropping out of school, or referral to the juvenile justice system.
- 3.21. **Progressive Sanctions Model.** The Progressive Sanctions Model is a set of recommended graduated dispositional guidelines defined in the Texas Family Code Chapter 59. The progressive sanctions model provides uniform and consistent standards in juvenile case dispositions, taking into account the seriousness of conduct, history of delinquent conduct, previous interventions, special treatment/training needs and special circumstances of the juvenile.
- 3.22. **Project Coordinator.** A project coordinator is the person who is responsible for coordinating the delivery and provision of services by the Border Children's Justice Project. The coordinator must be familiar with the laws, culture and resources of Mexico, Central America and South America.
- 3.23. **Project Director.** A project director is the individual designated by the juvenile board, usually the Chief Administrative Officer, who is responsible for the administration and coordination of grant funds in accordance with the terms of this Contract and for any general or specific requirements.

- 3.24. **Recommendation.** Recommendation means the most appropriate course of action or option that the probation officer and department recommend or present to the juvenile court as a dispositional alternative for a juvenile offender that is in the best interest of the juvenile and society in the professional judgment of the probation officer.
- 3.25. **Residential Child-Care Facility.** A residential child-care facility refers to a facility licensed or certified by the Texas Department of Family and Protective Services to provide assessment, care, training, education, custody, treatment, or supervision for a child who is not related by blood, marriage, or adoption to the owner or operator of the facility, for all of the 24-hour day, whether or not the facility is operated for profit or charges for the services it offers. The term includes child-care institutions, child-placing agencies, foster group homes, foster homes, agency foster group homes, and agency foster homes. This also includes a residential child-care facility licensed and/or operated by or under the authority of another governmental entity under the laws of this state or another state.
- 3.26. **Residential Services.** Residential services are the provision of services to a juvenile who has been placed in a pre-adjudication secure detention facility, a short-term secure detention facility (i.e., holdover), a post-adjudication secure correctional facility, a non-secure correctional facility, a residential child-care facility or an out-of-state residential placement facility.
- 3.27. **Staff Services.** Staff services are:
- 3.27.1. Salaries and fringe benefits for staff employed by the juvenile probation department under the direction of the Grantee;
 - 3.27.2. Travel reimbursement for juvenile probation department staff for the provision of juvenile probation services, juvenile justice programs and administration; and
 - 3.27.3. Operating expenses for the juvenile probation department (e.g., postage, telephone, office supplies, printing and other costs) directly related to juvenile probation services, juvenile justice programs and administration.
- 3.28. **Service Provider.** A service provider is a public or private vendor that is funded in whole or in part using grant funds and obligated under the terms of a procurement contract with the Grantee to provide goods and/or services for the operation, management or administration of juvenile probation services and juvenile justice programs.

IV. OBLIGATIONS AND RESPONSIBILITIES OF THE DEPARTMENT.

- 4.1. **Payments to the Grantee.** In consideration for the mutual agreements contained in this Contract, the Department shall pay the Grantee according to specified schedule the following grant amounts:
- 4.1.1. **Monthly Payments.** Grant payments for the following grants shall be made during the term of this Contract in eleven (11) monthly installments during each state fiscal year in the 2014-2015 biennium. The first payment to the Grantee will be 16.7 percent of the total grant amount and each of the remaining 10 payments shall be 8.33 percent of the total, subject to 4.2. below. Prior to the commencement of fiscal year 2014, the Department shall provide written notice of any subsequent allocation amounts that may be available to the Grantee. The amounts listed in the chart below are for fiscal year 2014. The Department shall provide allocations for fiscal year 2015 no later than May 1, 2014.

4.1.1.1.	GRANT A - State Financial Assistance Fund in the amount of	
4.1.1.2.	GRANT B - Border Children's Justice Project in the amount of	
4.1.1.3.	GRANT C - Commitment Reduction Program in the amount of	
4.1.1.4.	GRANT D - Leadership Academy in the amount of	
4.1.1.5.	GRANT M - Special Needs Diversionary Program in the amount of	
4.1.1.6.	GRANT N - Mental Health Services, Tier I, in the amount of	
4.1.1.7.	GRANT N - Mental Health Services, Tier II, in the amount of	

4.1.1.8.	GRANT N - Mental Health Services Total in the amount of	
4.1.1.9.	GRANT P - Juvenile Justice Alternative Education Program (JJAEP) in the amount of	
4.1.1.10.	GRANT S - Prevention and Intervention Demonstration Project in the amount of	

4.2. **Withholding of Final Disbursements.** The Grantee shall confirm their need for the full or lesser amount of the final two disbursements of each fiscal year, in a manner specified by the Department. The Department may withhold disbursement of the final two monthly installments unless the Grantee confirms their need for the full or lesser amount. Upon confirmation, the Department shall disburse the appropriate payment.

4.3. **Reimbursement Payments.** The Department shall, to the extent funds are available, reimburse the Grantee for eligible claims presented for payment provided that the requirements for reimbursement have been met to the satisfaction of the Department. All claims under this Contract can only be made for the period this Contract is in effect. Reimbursement programs include the following:

- 4.3.1. Title IV-E Federal Foster Care Program (Grant "E"). In accordance with the requirements found in Office of Management and Budget Circular A-87 and Code of Federal Regulations 1356.60 as further detailed in the specific grant requirements, the Department shall reimburse the Grantee under Grant E the maximum federal dollar share for the following: foster care maintenance claims for eligible juvenile probation children, direct administrative claims, and enhanced administrative claims. Upon review and approval of supporting documentation, the Department shall reimburse the Grantee as requests for reimbursement are presented for payment provided there is sufficient Title IV-E grant award authority against which to process presented claims and providing said funds are being reimbursed to the Department by Texas Department of Family and Protective Services (TDFPS) via the interagency agreement. To be eligible for reimbursement, all costs must be reasonable, allowable and properly allocated for support of the foster care program. A direct or enhanced administrative claim is not eligible for reimbursement if the basis of the claim has funding from any other federal source. All claims under this contract can only be made for the period this contract is in effect. The Department shall reimburse the Grantee only for allowable costs.
- 4.3.2. JJAEP Program (Grant "P"). Grantees eligible for reimbursements under Grant P shall receive a share of the initial \$1,500,000 distribution based on each Grantee's share of the total juvenile population for each school year for the current contract period. Additional funds will be distributed at the rate of \$86 per eligible student attendance day for students who are required to be expelled pursuant to Chapter 37 of the Texas Education Code and who meet the individual grant requirements. The Grantee will not be able to receive the second tier of funding until the initial amount allocated is earned at the rate of \$86 per eligible student attendance day. Payments to the Grantee by the Department shall be limited to no more than 180 days of operation during each regular school year for the current contract period.

V. GENERAL DUTIES AND RESPONSIBILITIES OF GRANTEE.

- 5.1. **General.** The general duties, obligations and responsibilities of the Grantee are delineated and set forth in this document and in the provisions of the State Financial Assistance Contract, which includes both the General Grant Requirements and the individual grant provisions governing any grant awarded or distributed under this Contract.
- 5.2. **Compliance Resource Manual.** The Department may provide a Compliance Resource Manual (CRM) to the Grantee as a reference document to detail the monitoring policies, practices, procedures and requirements of the Department. The CRM shall govern all monitoring policies, procedures and methodologies to be implemented by the Department.
- 5.3. **Compliance Systems.** The Grantee shall implement and use the required compliance systems, as well as adhere to the policies, procedures and requirements relating to the following formalized or automated systems designed to track and enforce administrative law:
 - 5.3.1. **Compliance Monitoring, Enforcement and Tracking System.** The Compliance Monitoring, Enforcement and Tracking System (COMETS) is an automated internal system developed by the Department that consists of an extensive database to track compliance requirements, instances of non-compliance, monitoring reports,

citations, corrective actions and sanctions imposed by the Department. Grantee shall use COMETS to respond to any citation of non-compliance.

- 5.4. **Notice of Suit.** If the Grantee, the Grantee's county (or counties for judicial districts), the juvenile probation department, juvenile probation services, and/or its employees, contractors or service providers are named as party in a civil or criminal law suit, the Grantee shall notify the Department within five (5) calendar days of receiving notice. This is applicable only when the law suit relates to the operation of a juvenile probation department, juvenile justice program, pre-adjudication secure juvenile detention facility, short-term secure detention facility (i.e., holdover), a post-adjudication secure correctional facility or other facility operated by or under the authority of the Grantee.
- 5.5. **Privatization of Juvenile Probation Services, Juvenile Justice Programs and Facilities.** If the Grantee chooses to enter into any subcontract with any public or private person or entity for the provision of administration or programmatic services in juvenile justice programs and facilities, the Grantee shall ensure that the qualifications of the subcontractor are adequate to ensure the subcontractor shall perform and meet the terms of this Contract and the provisions contained herein in their entirety. All subcontracts entered into by the Grantee shall be in writing and shall be subject to all applicable requirements contained in this Contract with the Department and any requirements in Texas law applicable to said contracts. The Grantee shall be solely responsible to the Department for the performance of any subcontractor under this Contract.
- 5.6. **Health and Safety of Youth.** Grantee shall provide juvenile probation programs and services to serve the youth under the jurisdiction of the juvenile court or courts within the Grantee's jurisdiction and shall ensure all programs, services and facilities provide adequate health and safety protections, procedures, and policies for all youth being served. The Department may issue a Non-Compliance Citation Report (NCCR), cease or suspend funding or impose any other sanctions available under administrative rules or other applicable laws for failure to protect the health and safety of youth.
- 5.7. **Facility Registration and Staffing Requirements.** The Grantee shall not place a youth in a short term detention facility, a pre-adjudication secure detention facility, a post-adjudication secure correctional facility, or a non-secure correctional facility unless that facility is registered by the Department and all staff members have the appropriate certification for their positions, as outlined in 37 Texas Administrative Code Sections 344 and 351.
- 5.8. **Removal of Personnel from Ongoing Background Checks.** The Grantee shall subscribe to the Department of Public Safety's Fingerprint-based Applicant Clearinghouse of Texas (FACT) for initial and continuing criminal background checks on all direct care staff, volunteers, interns, and contractors. If the individual ceases to have direct contact with youth, the Grantee shall unsubscribe from the individual's record pursuant to Texas Government Code §411.0845. The Grantee shall provide the Department's Certification Officer or designee with an updated list of all staff that should be unsubscribed from FACT quarterly to ensure compliance with Texas Government Code.

VI. ACCOUNTING, REPORTING, AUDITING REQUIREMENTS AND FINANCIAL ASSURANCES FOR GRANT FUNDS.

- 6.1. The Grantee shall follow the accounting, reporting, auditing and financial assurance requirements contained in the provisions of the State Financial Assistance Contract, which includes the General and Individual Grant Requirements and the provisions of this Contract for which the Grantee receives funding from the Department. The Grantee shall maintain supporting fiscal documents adequate to ensure that claims for grant funds are in accordance with applicable Department and State of Texas requirements.
- 6.2. The Grantee understands that acceptance of funds under the Biennium State Financial Assistance Contract for 2014-2015 acts as acceptance of the authority of the State Auditor's Office or any successor agency and the Department or its designee to conduct an audit or investigation in connection with any funds distributed under this contract. Grantee shall cooperate fully with the State Auditor's Office or its successor and the Department or its authorized designee in the conduct of the audit or investigation, including providing all records requested. The Grantee shall ensure that this clause concerning the authority to audit funds and the requirement to cooperate is included in any subcontract it awards.

VII. GENERAL PROVISIONS, SANCTIONS AND PENALTIES.

- 7.1. **Term.** This Contract shall be in force from September 1, 2013, through August 31, 2015, which comprise the state fiscal years 2014 and 2015.

- 7.2. **Funding Availability.** This Contract is at all times subject to state appropriations. The Department makes no express or implied representation or guarantee of continued or future funding under this Contract. The Department has, as of the date of the execution of this Contract, obtained all requisite approvals and authority to enter into and perform its obligations under this Contract, including without limitation, the obligation to make the initial payment or payments required to be made under this Contract on the date or dates upon which such initial payment or payments may otherwise be disbursed during the current contract period, (i.e., September 1, 2013, through August 31, 2015). With respect to any subsequent payment that may be required to be made under this Contract in any subsequent fiscal year during the term of this Contract, the Grantee acknowledges that the Department's authority to make such subsequent payments is contingent upon appropriation to the Department by the Texas Legislature of funds sufficient for such purpose or may otherwise be contingent upon the availability of funds to the Department for such purpose. If for any reason the State of Texas or the federal government terminates its appropriation through the Department or fails to pay the full amount of the allocation for the operation of any grant or reimbursement program hereunder or the funds are otherwise unavailable, this Contract may be terminated, either in whole or in part, or reduced immediately and without penalty. Upon termination or reduction of the Contract, any funds already paid to the Grantee with an unexpended balance shall be returned to the Department. In any event, no liability shall be incurred by the Department or by the State of Texas for damages or any other amount that may be caused or associated with such termination. The Department shall not be required to give prior notice.
- 7.3. **Entire Agreement.** This Contract and all documents incorporated herein by reference pursuant to Sections 2.1 and 2.2 and any other incorporated documents constitute the complete and final agreement between the Department and the Grantee. Any other oral or written agreements between the parties concerning the subject matter of this agreement have no force or effect after the effective date of this Contract.
- 7.4. **Notice.** Except as expressly provided herein, any notice required or permitted to be given under this Contract shall be in writing and delivered in person or by registered or certified mail, return receipt requested, postage prepaid, to the individual and address shown below:

GRANTEE

CHIEF JUVENILE PROBATION OFFICER

<<Address>>

<<City, State, Zip>>

TEXAS JUVENILE JUSTICE DEPARTMENT

Mailing Address: P.O. Box 12757

Austin, Texas 78711

Attention: Contract Administrator

Physical Address:

11209 Metric Boulevard, Building H

Austin, Texas 78758

The notice shall be effective on the date of delivery.

7.5. **Sanctions and Penalties.**

- 7.5.1. **Withholding of Payments.** Notwithstanding anything to the contrary herein, the Grantee acknowledges that payments due under this Contract may be withheld or permanently suspended, in whole or in part, in the event of non-compliance with any federal or state law, administrative rule, or regulation applicable to the services provided herein, or if the duties and responsibilities herein have not been performed in accordance with the terms and conditions of this Contract.
- 7.5.2. **Withholding of Future Payments.** If the Grantee fails to reimburse the Department for discovered unallowable expenditures, the Department may withhold future payments under any grant received pursuant to this Contract until the unallowable costs have been completely reimbursed.

- 7.5.2.1. **Notice and Hearing.** Prior to permanently suspending payment pursuant to 7.5.1 or 7.5.2, the Department shall provide reasonable notice and conduct a hearing before the Texas Juvenile Justice Department Board. The administrative determination rendered by the Department Board is final.
- 7.5.3. **Ineligibility for Future Grants.** The Grantee may become ineligible for future grants of any kind from the Department under the following circumstances:
- 7.5.3.1. The Grantee, its staff, employees, designees or contractors are found by the Department to have intentionally or knowingly falsified any documents, reports or records related to grant funds received under this Contract, or intentionally or knowingly given false statements to any Department employee or designee related to the expenditure of grant funds or the provision of juvenile probation services and juvenile justice programs.
- 7.5.3.2. The Grantee, its staff, employees, designees or contractors are found by the Department to have intentionally or knowingly violated any provision of this Contract.
- 7.5.4. **Debarment, Suspension or Ineligibility.** By execution of this Contract, the Grantee certifies that it is not otherwise presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded by any federal or state department or agency from participation in the State Financial Assistance Contract or any individual grant authorized hereunder.
- 7.5.5. **Force Majeure.** The Department may grant relief from performance of the Contract if the Grantee is prevented from performance by act of war, order of legal authority, act of God, or other unavoidable cause not attributable to fault or negligence of the Grantee. The burden of proof for the need of such relief shall rest upon Grantee. To obtain release based on force majeure, the Grantee shall file a written request with the Department.
- 7.6. **Termination.** The Department shall have the option to terminate this Contract, or any portion thereof, as a result of the Grantee's failure to comply with or abide by any covenant, assurance, term(s) or condition(s) of this Contract, including documents incorporated by Exhibit A.
- 7.6.1. **Termination for Cause.** Termination under this provision may occur no sooner than the 15th day after a Grantee's receipt of Notice of Intent to Terminate. Justifications for Termination for Cause include but are not limited to the following circumstances:
- 7.6.1.2. By the Department, if the Grantee knowingly and intentionally submits falsified or fraudulent documents or reports; or makes false representations, certifications or assurances relating to this Contract; or causes or acquiesces in any person doing the same regarding any grant funds received under this Contract; or fails to submit required reports; or
- 7.6.1.3. By the Department, when the life, health, welfare or safety of individuals served by or under the authority of the Grantee is endangered or could be endangered either directly or indirectly through the Grantee's intentional, willful or negligent discharge of its duties under this Contract. For purposes of this Contract, willful or negligent discharge of duties includes, but is not limited to, a finding or pattern of findings by the Department of reason to believe in an abuse, neglect or exploitation investigation occurring in connection with a juvenile justice facility, juvenile justice program, or the provision of juvenile probation services.
- 7.6.2. **Termination without Cause.** This Contract may be terminated by either party upon sixty (60) calendar days' notice to the other party of its intent to terminate this Contract.
- 7.6.3. **Termination by Mutual Agreement.** The Department and the Grantee may mutually agree to termination of this Contract at any time.
- 7.7. **Hold Harmless.** The Grantee shall be solely responsible for the safety and welfare of the juveniles participating in any program or service funded through the grants received by the Grantee under this Contract. The Grantee shall, to the extent allowed under the Constitution and the laws of this state, hold harmless the State of Texas, the

Department, its board members, employees and designees from any liability that results from the operation of any program funded in whole or in part with funds received under this Contract.

- 7.8. **Governing Law.** This Contract is being executed and delivered in the State of Texas. This Contract is intended to be performed in the State of Texas and the laws of Texas shall govern the validity, construction, enforcement and interpretation of this Contract. Prior to seeking a judicial review, the Grantee shall exhaust all administrative remedies including, but not limited to, those described under Section 7.9 below. Proper venue for any litigation arising from this Contract shall be in Travis County, Texas.
- 7.9. **Administrative Remedies.** The Grantee agrees that any dispute, controversy or claim arising out of or relating to unallowable expenditures under this Contract, whether during or after its term, shall be submitted to an administrative review before the Department's Board. To initiate the process, the Department shall submit a written notice, in accordance with terms set forth herein, to the Department's Executive Director or designee. Said notice shall specifically request a Board review and state the nature of the dispute, controversy or claim. A copy of the notice shall be provided to all members of the Department's Board and the Grantee or designee otherwise entitled to notice under this Contract. A Board review under this provision shall be a condition precedent to the filing of a contested case proceeding under the Administrative Procedure Act, Texas Government Chapter 2001. In the event the parties are unable to resolve the matter through the Department's administrative review process, either party may then elect to resolve the dispute or claim as a contested case. This use of the administrative review process and/or a proceeding under the Administrative Procedure Act shall not be construed to adversely affect any right a party may have to a judicial review. Neither the execution of this Contract by the Department nor any other conduct of any other representative of the Department relating to the Contract shall be considered a waiver of sovereign immunity to suit.
- 7.10. **Authority to Bind the Department.** This Contract is not binding upon the Department unless and until it has been executed by the Department's Executive Director or an authorized designee.
- 7.11. **Grantee's Authority.** The person or persons signing and executing this Contract on behalf of the Grantee, or representing themselves as signing and executing the Contract on behalf of the Grantee, guarantee that they have been fully authorized by the Grantee to execute the Contract on behalf of the Grantee and to validly and legally bind the Grantee to all the terms and provisions contained in this Contract. Evidence of this authority to contract is attached to this Contract as the *Juvenile Board Resolution*, Exhibit "B" that shall be adopted in compliance with the Texas Open Meetings Act as codified in Texas Government Code Chapter 551.
- 7.12. **Assignability.** No assignment of this Contract or the rights and obligations hereunder will be valid without the written consent of the non-assigning party.
- 7.13. **Amendments.** Any amendment to this Contract must be in writing and signed by the Department and the Grantee to be valid and effective.
- 7.14. **Extension.** This Contract may not be extended beyond the period of appropriation.

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Exhibit A

General Grant Requirements for the Distribution and Expenditure of State Financial Assistance “Grant A”

I. GRANT DESCRIPTION.

The State Financial Assistance Fund (Grant “A”) provides assistance to local juvenile boards to support the provision of basic juvenile probation services, community corrections, and juvenile justice programs to assist the juvenile board in adhering to the Texas Juvenile Justice Department’s (Department) standards and policies. This grant shall fund the development of community-based probation programs and services for juveniles at risk of commitment to the Texas Juvenile Justice Department (Department) including jailable misdemeanor and felony offenders under the supervision of the juvenile court. These general grant requirements, incorporated into the State Financial Assistance Contract as Exhibit “A,” apply to the distribution and expenditure of the State Financial Assistance Fund and related individual grants.

II. GENERAL GRANT DEFINITIONS.

Definitions included in the State Financial Assistance Contract, Section III are applicable to these General Grant Requirements.

III. PERFORMANCE MEASURES.

- A. **Goal.** The goal of the Department’s grants is to reduce delinquency, increase offender accountability and rehabilitate juvenile offenders through a comprehensive, coordinated community-based juvenile probation system.
- B. **Program Objective.** The objective of the Department’s grants shall be to provide, develop and support community-based juvenile probation services and programs and to ensure the delivery of safe and effective juvenile probation programs and services that adhere to the Department’s standards and policies while maximizing juvenile outcomes.
- C. **Program Performance.** Grantee performance shall be determined using the following measures:
 - 1. Total formal referrals in each year of the grant period;
 - 2. Average daily population of juveniles under deferred prosecution and probation supervision in each year of the grant period;
 - 3. Number of placements in secure and non-secure residential post-adjudication facilities in each year of the grant period;
 - 4. Percentage of juveniles under deferred prosecution and probation supervision participating in a community-based program in each year of the grant period;
 - 5. Number of juveniles committed to the Texas Juvenile Justice Department (Department) in each year of the grant period;
 - 6. Number of juveniles aged 10 to 16 certified as adults in each year of the grant period;
 - 7. Percentage of Department-eligible offenders disposed to Department; and
 - 8. One, two and three year re-referral/re-arrest and incarceration recidivism rates for juveniles beginning supervision, beginning a program and leaving a post-adjudication residential facility.

IV. PROGRAMMATIC COMPONENTS.

- A. **Requests for Information.** The Grantee shall fully and promptly comply with all reporting requirements and requests for information issued by the Department or its authorized designee that are required under any grant or that are necessary for any legislative requests for information, audit surveys or studies that may be undertaken by the Department or its authorized designee or any office or agency for or on behalf of the state of Texas. The Grantee shall provide any information requested by the Department or its authorized designee in the format requested or supplied by the Department. The Grantee shall ensure that its staff, interns, volunteers and subcontractors comply in a timely and complete manner with all the Department's requests for information made during the course of on-site monitoring visits, unannounced monitoring visits, abuse, neglect and exploitation investigations, programmatic and financial audits or monitoring, or other on-site inspections. The Grantee shall ensure that it complies with the Department's or its authorized designee's requests for information arising out of any other investigation being conducted by the Department or its authorized designee that involves the Grantee's juvenile probation department or any juvenile justice program operated in whole or part by the Grantee or operated by a private vendor operating under the Grantee's authority. The Grantee shall ensure that it complies in a timely manner with requests by the Department or its authorized designee for financial information, records and documents related to evaluating costs of programs and services provided by the Grantee's probation department. The Grantee shall timely submit, in the manner and format specified by the Department, any files or records of the Grantee's juvenile probation department or any facility or program operated by or under the authority of the Grantee that may be requested by the Department or its authorized designee as a part of the monitoring, auditing or investigatory process.
1. **Agency Proceedings and Investigations.** The Grantee shall require all employees, interns, volunteers, subcontractors and private vendors paid in whole or part with state funds to cooperate with and to testify in any formal, informal, administrative or judicial proceeding or hearing regarding any matter the Department considers necessary for the investigation of abuse, neglect or exploitation allegations, complaints, financial and programmatic audits or any other matter under its authority. Compliance with this provision is not intended as, nor does it constitute, a contractual waiver of the privilege against self-incrimination or any other right or privilege guaranteed under law.
 2. **Agency Subpoena Power.** The Grantee shall comply with the provisions of Human Resources Code Section 203.008 or other applicable law that authorizes the Department to issue subpoenas, receive evidence and gather information that the Department deems necessary for the investigation of abuse, neglect, or exploitation allegations, complaints, financial and programmatic audits of juvenile probation programs, services and facilities, including juvenile justice alternative education programs or any other matter under its authority.
- B. **Compliance with Agency Administrative Law.** The Grantee shall comply with all the Department's administrative rules contained in Title 37 Texas Administrative Code that are applicable or become applicable during the term of the grant to the Grantee, the juvenile probation departments and any juvenile justice programs, juvenile probation services and facilities operated or provided by or under the authority of the Grantee.
- C. **Legal Compliance.** The Grantee shall comply with all applicable state and federal laws that may affect operations of the Grantee, the juvenile probation departments and any juvenile justice programs, services and facilities operated by or under the authority of the Grantee. The receipt of state funds shall be contingent upon compliance with the laws set forth herein and any other federal, state and local laws that may be applicable. The Grantee shall acknowledge that the citation of specific state and federal laws herein shall not be construed as a comprehensive listing of all applicable laws with which the Grantee may be required to comply.
1. **Federal and State Juvenile Law Compliance.** The Grantee shall comply with all requirements of federal law related to juveniles including, but not limited to, the *Juvenile Justice and Delinquency Prevention Act of 2002*. The Grantee shall comply with all procedural and substantive requirements of the Juvenile Justice Code found in Title 3 of the Texas Family Code and in Title 12 of the Texas Human Resources Code and Chapters 142 and 152.
 2. **Federal Law Compliance.** The Grantee shall comply with all relevant federal statutes and amendments thereto as well as all requirements imposed by the regulations issued pursuant to those statutes, specifically including, but not limited to, the following:

- a. **Non-discrimination Statutes.** The Grantee shall comply with the following federal statutes relating to non-discrimination and all requirements imposed by the regulations issued pursuant to such acts. Relevant laws include, but are not limited to, the following:
- i. *Title VII of the Civil Rights Act of 1964 (Title VII)*, which prohibits discrimination on the basis of race, color, religion, national origin, or sex;
 - ii. *The Pregnancy Discrimination Act*, an amendment to Title VII, which prohibits discrimination in employment on the basis of pregnancy;
 - iii. *The Age Discrimination in Employment Act of 1967 (ADEA)*, which prohibits discrimination on the basis of age;
 - iv. *The Genetic Information Non-Discrimination Act of 2008 (GINA)*, which prohibits discrimination in employment on the basis of genetic information.
 - v. *The Family and Medical Leave Act of 1993 (FMLA)*, as amended, which provides an employee with job-protected, unpaid family leave in certain circumstances;
 - vi. *The Equal Pay Act of 1963 (EPA)*, which prohibits sex-based discrimination in pay between men and women performing similar work under similar conditions in the same establishment;
 - vii. *The Uniformed Services Employment and Reemployment Rights Act of 1993 (USERRA)*, which provides reemployment protection for and prohibits discrimination against uniformed service personnel;
 - viii. *The Americans with Disabilities Act of 1990 (ADA)*, which prohibits discrimination on the basis of disability in employment, State and local government, public accommodations, commercial facilities, transportation and telecommunications;
 - ix. *The Rehabilitation Act of 1974*, which prohibits discrimination on the basis of disability;
 - x. *The Drug Abuse Prevention, Treatment and Rehabilitation Act*, which prohibits discrimination on the basis of drug abuse;
 - xi. *The Public Health Service Act of 1912*, as amended by the *Alcohol and Drug Abuse Amendments of 1983*, relating to confidentiality of records of persons undergoing treatment for alcohol and drug abuse;
 - xii. *The Pro-Children Act of 1994*, as amended, which prohibits smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act; and
 - xiii. Any other statute(s) under which application for federal assistance is being made and any other non-discrimination statute(s) which may apply to a grant.
- b. **Employment Verification Statutes.** The Grantee shall comply with the requirements of the *Immigration Reform and Control Act of 1986*, regarding employment verification and retention of verification forms for any individuals hired on or after November 6, 1986, who will perform any labor or services for or under the authority of the Grantee.
- c. **Labor Statutes.** The Grantee shall comply with the minimum-wage and maximum-hours provisions of the *Federal Fair Labor Standards Act and the Intergovernmental Personnel Act of 1970, as applicable*.
- d. **Medicaid Act.** The Grantee shall comply with the Medicaid Act, which prohibits the use of federal funds to provide medical care or services to an inmate in a correctional facility.

- e. **Education-Related Statutes.** The Grantee shall comply with all federal statutes relating to education for children and all requirements imposed by the regulations issued pursuant to such acts. Relevant laws include, but are not limited to, the following:
 - i. *Individuals with Disabilities Education Act (IDEA)*, which requires children with disabilities receive appropriate education in the least restrictive environment appropriate to their individual needs.
 - ii. *Family Educational Rights and Privacy Act (FERPA)*, relating to the accessibility and disclosure of school records.
 - iii. *Title IX of the Education Amendments of 1972 (Title IX)*, which prohibits discrimination on the basis of sex in educational and extra-curricular programs.
- f. **Institutional Rights Statutes.** The Grantee shall comply with all federal statutes relating to conditions of confinement and the elimination and reduction of prison rape, abuse, neglect, and exploitation in correctional institutions and all requirements imposed by the regulations issued pursuant to such acts. Relevant laws include, but are not limited to, the following:
 - i. *Civil Rights of Institutionalized Persons Act (CRIPA)*, which authorizes the U.S. Attorney General to investigate conditions of confinement in State and local government-operated adult and juvenile institutions to determine if the conditions jeopardize the health and/or safety of the residents and to initiate litigation when warranted.
 - ii. Any other statute(s) under which application for federal assistance is made and any other institutional rights statutes which may apply to a grant.
- 3. **State Law Compliance.** The Grantee shall comply with all Texas state laws specifically including, but not limited to, the:
 - a. *Texas Commission on Human Rights Act (TCHRA)*, as amended, which prohibits employment discrimination in virtually all aspects of employment in Texas;
 - b. Texas Family Code, Section 261.101 and Section 261.401, which require the reporting of all suspected cases of child abuse, neglect and exploitation to local law enforcement or regulatory authorities;
 - c. Texas Family Code, Section 231.006, which provides that a child support obligor who is more than 30 days delinquent in paying child support and a business entity in which the obligor is a sole proprietor, partner, shareholder, or owner with an ownership interest of at least 25 percent is not eligible to receive payments from state funds under a contract to provide property, materials or services or receive a state-funded grant or loan;
 - d. Texas Family Code, Chapter 60, which contains the *Uniform Interstate Compact on Juveniles* pertaining to, among other things, the out-of-state placement and return of runaways and juvenile absconders on probation or parole;
 - e. Texas Government Code, Chapter 783, which contains the *Uniform Grant Management Standards (UGMS)* that promote the efficient use of public funds and establishes uniform grant and contract administration procedures. The Uniform State Assurances contained in UGMS shall be incorporated by reference herein;
 - f. Texas Government Code, Chapter 552, which requires that all information collected, assembled or maintained by the Grantee must be maintained in compliance with the *Public Information Act*, unless expressly prohibited by law;
 - g. Texas Government Code, Chapter 551, which requires all regular, special or called meetings of a governmental body shall be conducted in accordance with the *Texas Open Meetings Act*, except as otherwise provided by law or specifically permitted in the Texas Constitution;

- h. *Architectural Barriers Act*, Article 9102, Texas Civil Statutes, which requires that public buildings and facilities constructed, renovated or modified using state funds or funds of any political subdivision shall be accessible to and functional for persons with disabilities; and
 - i. Texas Government Code, Section 441.187(b), county records retention schedule, or other applicable statute or regulation which prohibits the destruction of a record made the subject of any litigation, claim, negotiation, audit, open records request, administrative review or other action before the expiration of a retention period established by the Texas State Library and Archives Commission or in the approved records retention schedule adopted by the agency.
4. **Behavioral Health Screening.** The Grantee shall ensure that the behavioral health screening instrument selected by the Department, the *Massachusetts Youth Screening Instrument, Second Version (MAYSI-2)*, or an alternate screening instrument approved by the Commission, is administered to each juvenile in accordance with Title 37, Texas Administrative Code Chapters 341 and 343, or successor provisions.
 5. **Assessment.** The Grantee shall ensure that each juvenile's need for supervision and services is considered and evaluated prior to case disposition using a validated risk- and needs-assessment instrument or process provided or approved by the Department. The Grantee shall ensure that the risk- and needs-assessment instrument is administered in accordance with Section 221.003(b) of the Human Resources Code.
 6. **Compliance with Performance Measures.** The Grantee shall adhere to the minimum performance measures established by the Department based on the Grantee's historic performance of services. The Grantee shall report, in the format specified by the Department, on the Grantee's success in meeting the performance targets. This provision applies to grants for services other than basic probation services.
 7. **Memoranda of Understanding and Agreements.** The Grantee shall comply with the requirements established by the Department to implement the terms and conditions of any interagency memorandum of understanding, agreement or activity mandated by statutory law or administrative rule.
 8. **Departmental Policies and Procedures.** The Grantee shall promulgate and enforce certain departmental policies and procedures specifically including the following:
 - a. **Workplace AIDS/HIV Guidelines.** The Grantee shall develop and implement guidelines regarding confidentiality of AIDS and HIV-related medical information that is consistent with the confidentiality guidelines published by the Texas Department of State Health Services and with state and federal law and regulations for its employees and for children referred to juvenile court. The Grantee shall comply with the Texas Health and Safety Code Sections 85.113 and 85.115, relating to workplace and confidentiality guidelines regarding AIDS and HIV, respectively.
 - b. **Equal Employment Policies.** The Grantee shall operate as an equal opportunity employer and shall not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment or the provision of services, programs or activities. The Grantee shall promulgate and enforce written departmental policies prohibiting harassment of employees on the basis of race, color, national origin, sex, religion, age or disability.
 - c. **Abuse, Neglect and Exploitation Reporting.** The Grantee shall ensure that any employee, intern, volunteer, contractor or service provider of a juvenile justice program, facility or juvenile probation department who witnesses, learns of, or receives an oral or written statement from an alleged victim or other person with knowledge or a reasonable belief as to the occurrence of an alleged abuse, neglect, exploitation, death or other serious incident involving a juvenile in a juvenile justice facility or juvenile justice program shall report to the Department and local law enforcement as required by statutory and administrative law contained in the Texas Family Code Chapter 261 and Title 37 Texas Administrative Code Chapter 358 or successor provisions that may be amended or adopted during the term of this Contract. The Grantee and its agents shall make the report by telephone or by faxing or emailing a completed *TJJD Incident Report Form* [TJJD-AID-001]. If the report is made by telephone, the Grantee and its agents shall ensure that a completed Department Incident Report Form is submitted within 24 hours of the telephone report. The Grantee shall ensure that its employees, interns, volunteers, contractors and service providers in the Grantee's jurisdiction are properly trained in the reporting requirements and procedures of the Texas Family Code Chapter 261 and

any applicable Department administrative rules regarding abuse, neglect, exploitation, death or serious incidents. The Grantee shall further ensure that any contract authorizing the placement of juveniles in a juvenile justice program or facility operated by or under the authority of a county, governing board, juvenile board or private vendor under a contract with an operating authority that serves juveniles shall include a clause that requires the contracting county to report all pending and past allegations and/or investigations of abuse, neglect, exploitation, death or other serious incidents involving a juvenile that has been placed by the Grantee. The Grantee acknowledges that the duties of this section exist regardless of whether the Grantee has entered into subcontracts with public or private providers for program services. The Grantee shall accept full liability should a public or private service provider under contract with the Grantee fail to comply with the abuse reporting requirements listed in this section.

- i. **Unimpeded Access to Call Line.** The Grantee shall ensure that all juveniles in a facility shall have the right to reasonable, free and confidential access to the Department's call line in order to report alleged abuse, neglect, exploitation, serious incidents or death. The Grantee shall provide during orientation into the facility information regarding the Commission's 24-hour, toll-free, direct-reporting call line [i.e., 1-877-STOP-ANE] for reporting alleged abuse, neglect, exploitation, death or serious incidents and shall require employees and staff to facilitate direct reporting and unimpeded access to the call line. The Grantee shall prominently display in English and Spanish signage provided by the Department regarding a zero-tolerance policy concerning abuse of juveniles.
- ii. **Abuse, Neglect and Exploitation Notice to the Public.** The Grantee shall make available to its employees, interns, volunteers, contractors and service providers the Department's 24-hour, toll-free, direct-reporting call line [i.e., 1-877-STOP-ANE] and shall prepare and distribute to each Grantee the official notice to inform members of the public and staff of its availability to be used for the purpose of reporting allegations of abuse, neglect, exploitation, death or other serious incidents that occur in any juvenile justice program or facility operated by or under the authority of the county, governing board, juvenile board or by a private entity through a contract with the Grantee. The Grantee shall make available an English and a Spanish version of the following official notices: *Notice to Public Regarding Abuse, Neglect and Exploitation* [TJJD-AID-010] and the *Notice to Employees Regarding Abuse, Neglect and Exploitation* [TJJD-AID-011]. These forms shall be available on the Commission's website. The Grantee shall prominently post both the English and Spanish language versions of the official notice in all public and staff areas of any juvenile probation office, satellite office and in any facility or program operated by or under the authority of the Grantee or operated by a private entity through contract with the Grantee.
- iii. **Resolution of Abuse, Neglect and Exploitation.** The Grantee shall provide the Department, in the format specified, a summary of the actions performed in resolving an abuse, neglect and exploitation complaint or investigation in compliance with Section 221.055 of the Human Resources Code.
- d. **Employment Disclosures.** The Grantee shall verify and disclose or cause its staff, volunteers, interns and subcontractors to verify and disclose any arrest, any criminal history and any current criminal indictment involving a felony or misdemeanor offense under the laws of this state, any other state or the federal laws of the United States and any offense that requires registration as a sex offender under the laws of this state or any other state. The Grantee shall verify and disclose or cause its staff, volunteers, interns and subcontractors to verify and disclose any finding of "Reason to Believe" by a state regulatory agency in a child abuse, neglect and exploitation investigation where the staff, volunteer, intern or subcontractor was the alleged or designated perpetrator. This verification and disclosure shall be required of all persons who have direct unsupervised contact with juveniles in a facility or program and shall be maintained in the Grantee's personnel files. These verifications shall occur at pre-employment and the Grantee shall require ongoing disclosure.
- e. **Employee Timekeeping Documentation.** The Grantee shall require all employees, interns, volunteers, subcontractors and private vendors paid in whole or part with state funds to maintain and make available to the Department source documentation that substantiates the performance of juvenile probation services, completion of a standard 40-hour work week or a pro-rated alternate work schedule and any and all documented leave. The Grantee shall ensure that accurate timesheets and

attendance records are maintained by the Department. The Grantee shall ensure that all employees, interns, volunteers, subcontractors and private vendors that are paid with state funds, including the Chief Administrative Officer, regardless of Fair Labor Standards Act (FLSA) appointed or exempt status, provide leave documentation. Grantee shall make all employee salary documentation and timesheets available for review by the Department.

- f. **Employee Daily Travel Activity Documentation.** The Grantee shall require all travel expenses paid in whole or part with state funds to be accurately documented daily by the individual traveling. The Grantee shall document, at a minimum the date, destination, times, mileage or odometer readings and related travel activities.
 - g. **Firearms Proficiency Documentation.** The Grantee shall, in accordance with Title 37, Texas Administrative Code Sections 341.82 and 341.83, verify the eligibility of each juvenile probation officer authorized to carry a firearm under Section 142.006 of the Human Resources Code. The chief juvenile probation officer shall ensure the requirements set forth in Title 37, Texas Administrative Code, Chapter 341, Subchapter K have been met and shall confirm that the Department's letter of approval has been received prior to permitting the juvenile probation officer to carry a firearm in the scope of the officer's official duties. The chief juvenile probation officer shall submit to the Department a signed and notarized *Verification of Eligibility for Juvenile Probation Officer to Carry Firearm* [TJJD-FRM-001] in the format and time frames specified by the Department.
- D. **Diversion Programs and Services.** The Grantee shall use grant funds to provide community-based programs and/or services designed to provide diversionary alternatives for juveniles at risk of commitment to Department including, but not limited to, intensive supervision probation, residential placements, family preservation services, parenting skills and mental health services.
- E. **Target Population.** The Grantee shall ensure that diversion programs and services provided under this grant are designed to serve the target population. The target population for this grant is juvenile offenders who are at risk of commitment to Department.
- F. **Department Commitment Goals.** Grantee's execution of the *State Financial Assistance Contract* evidences a voluntary agreement to assist the Department in achieving the statewide Department commitment goal of limiting the number of juvenile offenders recommended for commitment to the Department by the state's juvenile probation departments during each year of the biennium 2014-2015. Grantee shall develop programmatic alternatives for juvenile offenders at immediate risk of Department commitment with the goal of limiting the number of Grantee's juvenile probation department staff recommendations for commitment to the Department to the Department's established number of recommendations. Grantee shall require its juvenile probation department staff to explore and recommend appropriate dispositional alternatives for each adjudicated youth before making any recommendation for commitment to the Department. The recommended goal includes all commitments to the Department.

The specific commitment goals applicable to the Grantee are listed, by department, in the *FY2014-2015 Statewide Commitment Goals* [TJJD-FIS-415] on the Department's website and are incorporated by reference into this Contract.

- G. **Ideal Commitment Criteria.** Grantee shall ensure that its juvenile probation department's recommendations of commitment to the Department adhere to the ideal commitment criteria in every case unless mitigating or extenuating circumstances are present and documented. The ideal commitment criteria shall be defined as any commitment recommended by and being consistent with the Progressive Sanctions Guidelines as found in Chapter 59 of the Texas Juvenile Justice Code, Title 3, Texas Family Code.

V. PROGRAMMATIC REPORTING.

A. Annual Reports.

1. The *Annual Resource Report* shall be submitted on or before the designated due date of each year of the grant period in an electronic format as specified by the Department.
2. The *Juvenile Facility Registration Application* shall be submitted in the electronic format specified by the Department prior to opening a new facility or by February 1 of each year of the grant period. This form shall be

submitted by any pre-adjudication secure detention facility, short-term secure detention facility (i.e., holdover), post-adjudication secure correctional facility, or non-secure correctional facility that is operated by or under the authority of the Grantee.

3. The Grantee shall designate and update key personnel through the Juvenile Probation Directory on the Department's website. Notification of changes during the fiscal year regarding the Chief Juvenile Probation Officer/Chief Administrative Officer, Fiscal Officer or Facility Administrator shall also be submitted on official department or juvenile board letterhead. A copy of the approved juvenile board minutes announcing the appointments will also be accepted. These documents shall be submitted to the Department's Staff Services Officer within ten (10) calendar days from the effective date of the change.

A person may not serve as Chief Juvenile Probation Officer, Chief Administrative Officer or Fiscal Officer at the same time and a person may not serve as a Project Director and Fiscal Officer at the same time. One person may serve as the Chief Administrative Officer and Project Director simultaneously.

B. **Quarterly Reports.** See Individual Grant Requirements.

C. **Monthly Reports.** See Individual Grant Requirements.

D. **Other Periodic Reports.** See Individual Grant Requirements.

1. Grantee shall utilize the Department's Compliance Monitoring, Enforcement and Tracking System (COMETS) to respond to all citations of non-compliance with standards and/or grant requirements issued in regularly scheduled monitoring visit performance reports and any Non-Compliance Citation Reports (NCCR) that are issued by the Department. The Grantee shall submit the required corrective action responses within the mandated time frame as specified by the COMETS system.
2. The Grantee shall notify the Department of any change affecting the Grantee's official registry information including administration, baseline services, programs, rated capacity or any other data submitted in the *Juvenile Facility Registration Application* regarding any pre-adjudication secure detention facility, short-term secure detention facility (i.e., holdover), post-adjudication secure correctional facility, or non-secure correctional facility operated by or under the authority of the Grantee. The Grantee shall ensure that any private vendor that operates a facility under the authority of the Grantee shall be contractually obligated to notify the Department of any changes in official registry information. Changes shall be provided in writing to the Department within ten (10) calendar days from the effective date of the change.
3. The Grantee shall notify the Department immediately in writing of any change affecting the Grantee and the composition, structure, function or identity, such as the control, name change, governing board membership or personnel changes affecting the contracted services.
4. Prior to referring a juvenile for participation in a research program or study, the Grantee shall submit, via the Department's website, a *Report Concerning Research Programs and Studies of Juveniles*. The report shall be required for any juvenile who is currently or may have previously been under the jurisdiction of the juvenile court.
5. The Grantee shall enter each program it administers, or for which it contracts, into the Department's web-based Program Registry accessible on its website. The Grantee shall notify the Department of any change affecting the Grantee's official registry information including administration, program type, or program components.

VI. PROGRAMMATIC MONITORING.

- A. **On-Site Monitoring Visits.** The Grantee shall be subject to programmatic monitoring as scheduled at the discretion of the Department. Scheduled on-site visits are announced and confirmed in writing at least fifteen (15) calendar days in advance of the actual visit whenever possible. Scheduled on-site visits shall be conducted during the program's regular operating hours. The visit can include a review of policies, procedures and records; interviews with staff, juveniles and other personnel; and a tour of the program or facility. The length of the visit depends on the size of the program or facility as well as the size of the Department's monitoring team. Each visit will conclude with an exit conference with appropriate department and/or facility staff and the presentation of findings in the Performance Rating Profile Report.

- B. **Unannounced On-Site Monitoring Visits.** The Department may conduct unannounced on-site visits in addition to its scheduled on-site visits. Unannounced on-site visits may be made without any advance notification and may occur at any time. Unannounced on-site visits may be entirely random or they may be made for cause. The Department may determine cause by assessing information relating to a specific area of alleged standards non-compliance(s), patterns of actual or alleged non-compliance(s), as a means to monitor program improvement plans (PIPs) or due to a request for intervention from other state or local government entities or the public. Unannounced on-site visits may also be conducted in conjunction with the Department's formal abuse, neglect and exploitation investigations. The length and scope of an unannounced on-site visit shall be dependent on the circumstances that led to the visit. A Non-Compliance Citation Report (NCCR) shall be issued for any verified non-compliance in an unannounced on-site visit.
- C. **Desk Audits.** The Department may monitor compliance with standard or grant requirements by a desk audit, which includes review of select records and program documentation. This review will require the Grantee to forward or make available to the Department any written policies and procedures, juvenile and staff records, juvenile board documentation, and other applicable documents. The review of written documentation and materials may be supplemented by phone interviews with select staff and/or juveniles. Findings will result in a performance rating profile report or a Non-Compliance Citation Report (NCCR). Grantee shall ensure its agents will comply with all requests for information during the course of a desk audit by the Department or its authorized designee.
- D. **Other.** See Individual Grant Requirements.

VII. **APPLICABLE LAW, POLICY AND PROCEDURE.** The Grantee shall comply with the following applicable state laws, federal laws, standards, policies and procedures as they currently exist or as amended or renumbered and enacted and effective during the term of this Contract:

A. **Applicable Standards.**

Texas Administrative Code (TAC), Title 37, Public Safety and Corrections, Chapters 341 – 359.

B. **General Statutes.**

1. **Federal Law.**

a. **Juvenile Justice and Delinquency Prevention (JJDP) Act of 2002.**

- i. 42 United States Code 5601, et seq.
- ii. 28 Code of Federal Regulations Section 31.303, et seq.

b. **Civil Rights of Institutionalized Persons Act (CRIPA) of 1980, *as amended*.**

42 United States Code 1997, et seq.

c. **Office of Management and Budget (OMB) Circular A-102, *as amended*.**

59 Federal Register 52224 - Office of Management and Budget (OMB) Circular A-102 - Grants and Cooperative Agreements with State and Local Governments.

2. **State Law.**

a. **Texas Family Code, Title III, Juvenile Justice Code.**

Chapter 60 – Uniform Interstate Compact for Juveniles.

b. **Texas Administrative Code (TAC) Title 1, Part 15 Health and Human Services Commission.**

Chapter 351, Section 351.13 – Substitute Care Provider Outcome Standards.

c. **Texas Human Resources Code.**

- i. Chapter 142 – Juvenile Probation Departments and Personnel.
- ii. Chapter 152 – Juvenile Boards.
- iii. Title 12 – Texas Juvenile Justice Department.

d. **Texas General Appropriations Act.**

e. **Texas Government Code, Title 7, Uniform Grant and Contract Management.**

Chapter 783 – Uniform Grant and Contract Management

3. **Policy and Procedure.**

Texas Administrative Code Chapter 343 Addendum.

VIII. FINANCIAL COMPONENTS.

A. Allowable Expenditure of Funds.

- 1. Unless otherwise indicated in the individual grant requirements, grant funds shall be expended for juvenile justice programs and juvenile probation services within the three budget categories of Staff Services, Inter-County Contracts and External Contracts as allowed in the *Expenditure Guidelines* contained in Appendix I of this document.
- 2. Grant funds may be expended to provide programs and services for juveniles and/or family members of juveniles under the jurisdiction of the Grantee's juvenile probation department.
- 3. Expenditures that benefit both adult and juvenile probation departments shall be pro-rated on an equitable basis. The determination of the method of pro-rating such expenditures shall be supported by documentation.
- 4. Grant funds used to reimburse a county that provides fiscal services to another county or multiple counties shall be reasonable compensation for services actually provided. Payment shall not exceed five percent (5%) of the funding allocation and shall be made to the county providing fiscal services rather than to an individual.
- 5. The maximum allowable rates for each of the levels of care and the description of each level is posted in the *Tier Level of Care Rate for Registered Facilities* [TJJD-FIS-175] on the Department's website. Expenditures for residential services in a Pre-Adjudication Secure Detention Facility, a Short-Term Secure Detention Facility, a Post-Adjudication Secure Correctional Facility or a Non-Secure Correctional Facility shall not exceed the Basic Level of Care Rate. Grant funds may be expended at a higher level of care rate if the juvenile is placed in a Post-Adjudication Secure Correctional Facility or a Non-Secure Correctional Facility registered and approved by the Department for a specialized or intensive level of service rate.

B. Unallowable Expenditure of Funds.

- 1. Grant funds shall not be expended for unallowable items as detailed in the *Expenditure Guidelines* incorporated in Appendix I of this document.
- 2. Grant funds shall not be expended for residential services in excess of the maximum allowable rates as defined in *Tier Level of Care Rates for Registered Facilities* [TJJD-FIS-175].
- 3. Grant funds shall not be expended for salaries or expenses of juvenile board members.
- 4. Grant funds shall not be expended for salary increases of existing personnel that exceed 5% of the previous year unless approved by the Department. This requirement does not restrict the salary amount of new staff or promotions in juvenile probation departments.

C. **Financial Match Requirements.** See also Individual Grant Requirements.

1. **Certification of Local Expenditures for Matching Requirements.** Pursuant to the requirements of the Texas Human Resources Code, Section 223.002, to be eligible to receive funding under the *State Financial Assistance Contract*, the fiscal officer duly appointed by the Grantee shall submit the *Certification of Local Expenditures Report* that certifies local juvenile justice expenditures (i.e., juvenile probation services and juvenile justice programs) made by the Grantee during the previous fiscal year were equal to or greater than those made in fiscal year 1994. The local juvenile justice expenditures entered in the Grant Manager system shall be certified electronically online via the Department's Grant Manager system.
2. **Maintenance of Local Financial Support.** The maintenance of local financial support requires juvenile probation departments to maintain the amount of salary expenditures as in previous years to be eligible to continue to receive state funds. This requirement validates that the level of expenditures for the juvenile probation department remains relatively constant from year to year. Waivers may be granted as described in the Texas Human Resources Code, Section 223.002.
3. **Financial Match Requirements.** The Grantee shall ensure that county funding for juvenile services (i.e., juvenile probation services and juvenile justice programs) shall not be decreased or be supplanted by funding received under this grant. The Grantee shall certify that the amount of local or county funds expended for juvenile services is at least equal to or greater than the amount spent in the 2006 county fiscal year excluding construction and capital outlay expenses.

D. **Funding Adjustments.**

1. **Reduction of Grant Payments.** The Department shall review the Grantee's unexpended grant balances for the State Financial Assistance Fund and individual grants in the last three fiscal years. If the Department determines that more than 10 percent of the amount awarded remained unspent or unencumbered at the end of each of the three fiscal years reviewed, the Department may reduce the current fiscal year's grant amount by the unspent balance of the previous fiscal year's grant. The Department may conduct an analysis and/or audit of the Grantee's level of referral activity, juvenile probation supervision activity and juvenile probation caseloads to determine the reasonableness of the amount of grant funds received by the Grantee in relation to these workload variables. As a result of this analysis, the Department may reduce the amount of any grant awarded to the Grantee in this grant period or in any subsequent grant periods by an amount determined reasonable by the Department.

Unexpended or unencumbered grant funds allocated to the Grantee shall be subject to a funding adjustment as set forth in Section VIII (D)(1). The Department may reduce funding from any grant awarded under this Contract.

2. **Unexpended Balances.** With the exception of funding received under Grants E and P, the Grantee shall refund to the Department no later than November 1 in the next fiscal year any unexpended funds from any grant that is allocated under the *State Financial Assistance Contract* and the funds are unencumbered by August 31 and unexpended by November 1 in the next fiscal year.
3. **Overpayments.** Any overpayments made by the Department in regard to any grant discovered by the Grantee, its agent, the Department or its authorized designee in any fiscal year shall be refunded to the Department within 30 calendar days after discovery or after receipt of a written notice from the Department.
4. **Refunds Due.** All refunds due to the Department under any grant for unallowable expenditures discovered shall be returned to the Department within 30 calendar days of confirmation.

- E. **Timely Expenditure of Grant Funds.** The Grantee shall expend funds in a timely manner. The Department shall determine if an acceptable percentage of disbursed funds are expended during the designated reporting period in order for the Grantee to expend the full amount of the grant by the end of the contract period. If the Grantee fails to expend the grant funds in a timely manner, the Department may issue a Non-Compliance Citation Report (NCCR) and may reduce or suspend funds.

F. **Audits.**

Auditing Requirements. The Grantee shall provide an independent financial compliance audit of funds received from the Department under the *State Financial Assistance Contract*, specifically for the following grants: Fiscal Year 2013 to include the State Financial Assistance Grant (A) and individual grants B, C, D, E, M, S, P, W, and the 2014-2015 biennium to include the State Financial Assistance Grant (A) and individual grants B, C, D, E, M, N, S, P and W. The audit shall be prepared in accordance with Generally Accepted Auditing Standards, Governmental Auditing Standards and the Department's audit requirements that will be sent under separate cover by September 30 for each year of the biennium. The Grantee shall submit two (2) copies of the current fiscal year audit to the Department no later than March 1 of the subsequent year. The audit shall include as part of the Report on Compliance and Internal Control, the specific financial assurances contained in Section VIII (G), of the General Grant Requirements and any individual grant as included in the *State Financial Assistance Contract*. The audit shall include an opinion on whether or not the Grantee complied with the applicable assurances. A summary of all material instances of non-compliance and an identification of the total amount of funds in question for each assurance shall be included in the audit. Audits received after March 1 of the subsequent year are considered delinquent. Grantees with delinquent audits are subject to a Non-Compliance Citation Report (NCCR) and funds may be suspended by the Department.

- G. **Financial Assurances.** The following financial assurances are applicable to all grant funds unless the individual grant requirements specifically state the contrary.
1. Separate accountability for the receipt and expenditure of all grant funds under the *State Financial Assistance Contract* is maintained for each grant from which the Grantee receives funds.
 2. Expenditures reported to the Department are in agreement with the Grantee's accounting records and audited expenditures in each budget category.
 3. Expenditures are made in accordance with the *Expenditure Guidelines* contained in *Appendix I* of this document and are supported by written documentation.
 4. Salary expenditures under each grant are verified and supported by appropriate documentation or hours worked, activities performed and leave taken. Employees whose salaries are funded 100% out of state funds shall be dedicated to juvenile justice programs and services only.
 5. All travel expenses are supported by daily documentation of the individual traveling. The Grantee shall document date, destination, times, mileage or odometer readings and related travel activities.
 6. Travel reimbursements paid with the grant funds, including travel allowances paid in lieu of mileage, are paid according to county policy and do not exceed travel reimbursement rates adopted by the county or per diem, lodging and travel reimbursement rates established by the State of Texas in Article IX, Part 5 of the General Appropriations Act.
 7. The grant funds used for residential expenditures are paid for placement of a juvenile in a pre-adjudication detention secure facility, a short-term secure detention facility, a post-adjudication secure correctional facility, or a non-secure correctional facility operated by or under the authority of the Grantee, another governmental entity or a third-party service provider licensed under the laws of the state.
 8. The grant funds used for residential child-care facilities and out-of-state residential placement facilities do not exceed the Health and Human Services Commission's *Levels of Care Rates* [TJJD-IVE-200]. This financial assurance does not apply to facilities that are registered with the Department.
 9. The grant funds used for Department registered facilities shall not exceed the *Tier Level of Care Rates for Registered Facilities* [TJJD-FIS-175].
 10. The grant funds are not expended for the purchase of equipment, renovation or construction unless explicitly authorized by the Department within the individual grant requirements. An item is equipment if county policy requires it to be capitalized or, if the county has no policy, it has a useful life of more than one year and a cost of more than \$5,000.00.
 11. Authorized capital purchases are capitalized and depreciated within the county accounting system.

12. Proper cut-off procedures are observed at the end of each fiscal period. Obligations of the fiscal period under review are not paid from funds of a subsequent fiscal period. Obligations of a subsequent fiscal period are not prepaid from funds of a fiscal period under review. A modified accrual basis of accounting is only used in preparing fourth quarter expenditure reports to the Department.
 13. Refunds and reimbursements are properly accounted for as reductions of expenditures rather than as increases in revenues.
 14. Any funds not expended under the terms of each grant were returned to the Department according to the Unexpended Balances and Refunds Due provisions contained in Subsections VIII (D) (2) and VIII (D) (4), respectively.
 15. The amount of local or county funds expended excluding construction and/or renovation for juvenile services is at least equal to or greater than the amount spent in the 1994 county fiscal year.
 16. All employees with access to monies are covered by surety bonds.
 17. The Grantee is required to separate all county and state transactional funds, revenues and expenses.
- H. **Service Providers.** Contracts with private service providers that are funded in whole or in part with grant funds shall adhere to the requirements set forth in the *Private Service Provider Contract Requirements Summary* [TJJD-FIS-324].
1. **Selection of Providers.** Selection of service provider contractors shall be fairly and objectively based upon county procurement procedures and guidelines and any applicable state or federal laws or regulations related to service procurement. As an integral part of the service provider selection process, the Grantees shall utilize procedures to assess prospective contractors' strengths, weaknesses and past performance. The Grantee shall use data relating to the performance of private service providers in prior contracts as a factor in selecting providers to receive contracts.
 2. **Required Contract Provisions.** Private service provider contracts paid in whole or part with grant funds shall include the following provisions in the contract between the Grantee and the service provider:
 - a. **Accountability.** Service provider contractors shall be held accountable for delivery of quality services and all contracts shall include clearly defined goals, outputs and measurable outcomes that directly relate to program objectives as required by the Texas Human Resources Code, Section 221.051.
 - b. **Eligibility to Receive State Funds.** Service provider contractors shall be required to provide certification of eligibility to receive state funds if required by the Texas Family Code Section, Section 231.006. The Department has provided form *Child Support Affidavit* [TJJD-FIS-180] that may be used.
 - c. **Legal Compliance.** Service provider contractors shall adhere to all applicable state and federal laws and regulations pertinent to the subcontractor's provision of services to the Grantee.
 - d. **Accounting.** The Grantee shall contractually notify service providers when state funds are used to pay for services. Service providers paid from state funds shall be required to account separately for the receipt and expenditure of state funds received from the Grantee. The Grantee shall require clearly specified accounting, reporting and auditing requirements applicable to any state funds paid to the service provider by the Grantee under contract.
 - e. **Records Retention.** Service provider contractors receiving whole or partial payment with any state grant funds received from the Department shall retain all applicable records for a minimum of three (3) years or until any pending audits and all questions arising therefrom have been resolved and shall make available for the Department inspection, all contractual agreements with service provider subcontractors.
 - f. **Funding Out.** Service provider contracts that are funded in whole or in part with grant funds shall be subject to termination without penalty, either in whole or in part, if funds are not available or are not appropriated by the Texas Legislature.
 3. **Performance Standards, Evaluations and Oversight.** Service provider contractors shall be monitored at least twice during the fiscal year of this grant for programmatic and financial compliance. The Department has provided two

monitoring tools that may be used: *Private Service Provider Contractual Monitoring and Evaluation Report - Residential Services* [TJJD-FIS-334] and *Private Service Provider Contractual Monitoring and Evaluation Report - Non-Residential Services* [TJJD-FIS-344]. The purpose of the monitoring is to ensure performance of and compliance with contractual provisions between the Grantee and service provider contractor if required by and in accordance with the *Private Service Provider Contract Requirements Summary* [TJJD-FIS-324]. The Grantee shall maintain written documentation of all monitoring visits. The Department may elect to conduct one monitoring visit per year if the Grantee achieves and maintains a minimum score of 90 with no formal findings in the area of private service providers on the previous financial audit conducted by the Department.

4. **Sanctions or Penalties.** The Grantee shall contractually impose specific, clearly defined and appropriate sanctions or penalties upon the service provider contractors that do not comply with the provisions of contractual agreements between the Grantee and the service provider contractor if the contractor is paid in whole or in part with state funds.
5. **Termination.** The Grantee shall include contractual provisions that allow termination of a contract with a service provider if the provider fails to achieve the defined goals, outcomes, strategies and outputs set by the Grantee or if the provider fails to comply with any conditions in the contract between the Grantee and the provider.
6. **Evidence of Execution.** The Grantee shall maintain contract documentation that contains the date of execution, the effective term of the service provider agreement and the signatures of the necessary parties, including, but not limited to, the service provide contractor, Grantee and/or their authorized designees.

IX. FINANCIAL REPORTING.

A. Annual Reports.

1. **Budget Application.** The Grantee shall submit a completed *Annual Budget Application* concurrent with the submission of the executed *State Financial Assistance Contract* for the Department's approval. The *Annual Budget Application* shall be submitted electronically in the Grant Manager web-based system per each fiscal year of the current grant period.
2. **Certification of Local Expenditures.** The Grantee shall certify the local expenditures entered in the (FPS) report via the Grant Manager web-based system for the previous fiscal year. The Chief Administrative Officer shall sign the certification electronically or in the format specified by the Department on or before March 1 of the current fiscal year. The Grantee shall adhere to all security protocols established by the Department.
3. **Independent Audit.** The Grantee shall submit two (2) copies of the independent financial compliance audit prepared by an independent Certified Public Accountant for the previous state fiscal year. The audit shall follow the General Grant Requirements of Sections VIII (F) and (G) and be submitted no later than March 1 of the current fiscal year.

- B. **Quarterly Reports.** The Grantee shall report the expenditure of all funds received through this grant on the *FPS Quarterly Expenditure Report* in Grant Manager. Reports shall be received by the Department no later than January 1, April 1, July 1, and October 1 of the current fiscal year of the biennium, respectively. Funds may be temporarily suspended if a *FPS Quarterly Expenditure Report* is not received by the due date.

- C. **Monthly Reports.** See Individual Grant Requirements.

- D. **Other Periodic Reports.** See Individual Grant Requirements.

Budget Adjustments. The Grantee shall submit the *Budget Adjustment Request* [TJJD-FIS-304] to the Department for any adjustment to the original budget. The Grantee shall receive written or electronic approval from the Department prior to expending the funds.

X. FINANCIAL MONITORING.

A. Annual Monitoring.

1. **Budget Review.** The grant funds will not be disbursed until a completed *Annual Budget Application* (located in the Grant Manager system) for all applicable grants funded under the *State Financial Assistance Contract* is received and approved by the Department. The Department shall review all budgets for completeness, reasonableness and accuracy. Incorrect budgets may be returned to the Grantee for correction. Projected expenditures will be compared with actual expenditures from prior years and adjustments may be made to current allocations.
2. **Independent Audits.** The Department staff shall review annual independent audits for adherence to Generally Accepted Auditing Principles and to the Department's audit instructions. Incomplete or incorrect audits may be returned to the Grantee for correction.

B. Periodic Monitoring.

1. **On-Site Monitoring.** Grantee shall be subject by the Department or its authorized designee to on-site financial monitoring at any time, which may include but is not limited to the discovery of problem areas resulting from financial data reviews, risk assessments, independent audit findings, budget reasonableness reviews and other factors.
2. **Desk Audits.** The Department or its designee may elect to monitor compliance of financial records and documentation by desk audits. The audit may be supplemented by phone interviews with financial staff in the juvenile probation department, county auditor's office and the county treasurers' office. Findings will result in a performance rating profile report or a Non-Compliance Citation Report (NCCR). Grantee shall ensure its agents will comply with all request for information during the course of a desk audit by the Department or its authorized designee.
3. **Quarterly Reports.** The Department shall review all *FPS Quarterly Expenditure Reports* in Grant Manager for completeness, reasonableness and may contact the Grantee for revisions to incorrect reports.
4. **Investigations and Special Audits.** The Grantee shall cooperate fully with the Department or its authorized designee in the conduct of an investigation or special audit arising out of any complaint, financial, programmatic, abuse, neglect or exploitation finding or allegation relating to the provision of juvenile probation services or occurring in a juvenile justice program or facility such as a probation department, non-secure correctional facility, pre-adjudication secure detention facility, post-adjudication secure correctional facility, juvenile justice alternative education program (JJAEP) or other program serving juvenile offenders.

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APPENDIX I
EXPENDITURE GUIDELINES

- I. **Allowable and Unallowable Expenditure Guidelines.** The following information contains general principles for determining allowable costs under all Department grants unless the individual grant requirements specifically state otherwise:

A. **Purpose and Scope.**

1. **Objectives.** These guidelines establish principles for determining the allowable costs incurred by the Grantee under grants, contracts and other agreements with the Department utilizing state funding. The principles are for the purpose of cost determination and are not intended to identify the circumstances or dictate the extent of the Department's participation in the financing of a particular program or project.
2. **Policy Guides.** The application of these principles is based on the fundamental premises that:
 - a. the Grantee shall be responsible for the efficient and effective administration of the Department's *State Financial Assistance Contract* through the application of sound management practices;
 - b. the Grantee shall assume responsibility for administering the grant funds in a manner consistent with underlying agreements, program objectives and the terms and conditions of the *State Financial Assistance Contract*; and
 - c. each Grantee, in recognition of its unique combination of staff, facilities and experience, will have the primary responsibility for employing whatever form of organization and management techniques that may be necessary to assure proper and efficient administration of the Department's grants.

B. **Basic Guidelines.**

1. **Factors Affecting Allowable Costs.** To be allowable under a Department grant, costs shall:
 - a. be necessary and reasonable for proper and efficient performance and administration;
 - b. be authorized and not prohibited under state or local laws or regulations;
 - c. be accorded consistent treatment. A cost may not be assigned to a Department grant as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to other awards as an indirect cost;
 - d. be determined in accordance with Generally Accepted Accounting Principles (GAAP), except as otherwise provided for in this guideline;
 - e. be the net of all applicable credits; and
 - f. be adequately documented.
2. **Reasonable Costs.** A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. The question of reasonableness is particularly important when local juvenile probation departments or components are funded by the Department. In determining reasonableness of a given cost, consideration shall be given to:
 - a. Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the performance of the grant;
 - b. The restraints or requirements imposed by such factors as: sound business practices; arm's length bargaining; federal, state, Indian tribal and other laws and regulations; and terms and conditions of the grant award;
 - c. Market prices for comparable goods or services; and

- d. Whether the Grantee acted with prudence in the circumstances considering their responsibilities to the Grantee and the public at large.

3. **Applicable Credits.** Applicable credits refer to those receipts or reduction of expenditure type transactions that offset or reduce expense items allocable to the Department's grants as direct or indirect costs. Examples of such transactions include: purchase discounts, rebates or allowances, recoveries or indemnities on losses, insurance refunds or rebates and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the Grantee relate to allowable costs, they shall be credited to the grant either as a cost reduction or cash refund, as appropriate.
4. **Expenditure Categories.** Unless restricted to certain allowable expenditures by the particular grant program from which funds were received under a grant, any funds received pursuant to a grant must be spent in the following categories, as defined in the grant: juvenile probation services, staff services, non-residential services and residential services.
5. **Accrued Interest.** Idle funds are invested in an account that provides a reasonable interest rate and provides necessary protection of principal. Interest generated as a result of grant funds deposited is credited to the account of the juvenile probation department for the provision of juvenile probation services and juvenile justice programs.

C. Direct Costs.

1. **General.** Direct costs are those that can be identified specifically with a particular final cost objective.
2. **Application.** Typical direct costs chargeable to the Department's grants are:
 - a. Compensation of employees for the time devoted and identified specifically for the performance of those grants;
 - b. Cost of materials acquired or consumed specifically for the purpose of those grants;
 - c. Equipment and other pre-approved capital expenditures;
 - d. Travel expenses incurred specifically to carry out the grant;
 - e. Non-residential services as defined under Article III, section 3.15 of the State Financial Assistance Contract; and
 - f. Residential services as defined under Article III, section 3.26 of the State Financial Assistance Contract.

- D. Reimbursement of Unallowable Expenditures.** All refunds due to the Department under any grant for unqualified expenditures discovered by the Grantee, its agent or its authorized designee shall be returned to the Department within 30 calendar days of confirmation.

- E. Guiding Principles for Determining Allowable or Unallowable Costs.** The following sections provide principles to be applied in establishing the allowable or unallowable costs. Failure to mention a particular item of cost in these sections is not intended to imply that it is either allowable or unallowable. The allowability in each case should be based on the treatment or standards provided for similar or related items of cost.

1. **Accounting.** The cost of establishing and maintaining accounting and/or other information systems is allowable.
2. **Advertising and Public Relations Costs.**
 - a. The term "advertising costs" means the costs of advertising media and corollary administrative costs. Advertising media include magazines, newspapers, radio and television programs, direct mail and exhibits.
 - b. The term "public relations" includes community relations and means those activities dedicated to maintaining the image of, or maintaining or promoting understanding and favorable relations with the community or any segment of the public.

- c. Advertising costs are allowable only when incurred for the recruitment of personnel, the procurement of goods and services, the disposal of surplus materials and any other specific purposes necessary to meet the requirements of the contract. Public relations costs are allowable when:
 - i. Incurred to communicate with the public and press pertaining to specific activities or accomplishments that result from performance of the Department grant; or
 - ii. Necessary to conduct general liaison with news media and government public relations officers, to the extent that such activities are limited to communication and liaison necessary to keep the public informed on matters of public concern, such as notices of state contract or grant awards and financial matters.
 - d. Unallowable advertising and public relations costs include the following:
 - i. All advertising and public relations costs other than as specified;
 - ii. Except as otherwise permitted by these cost principles, costs of conventions, meetings or other events related to other activities of the Grantee including:
 - (a) Costs of displays, demonstrations and exhibits;
 - (b) Costs of meeting rooms, hospitality suites and other special facilities used in conjunction with shows and other special events;
 - (c) Salaries and wages of employees engaged in setting up and displaying exhibits, making demonstrations and providing briefings;
 - (d) Costs of promotional items and memorabilia, including models, gifts and souvenirs; and
 - (e) Costs of advertising and public relations designed solely to promote the local departments.
3. **Advisory Councils.** Costs incurred by advisory councils or committees are unallowable including:
 - a. Meal expenses for juvenile board meetings.
 - b. Expenditures of other local departments such as police, sheriff, prosecuting attorneys, in-kind services or payments to or expenses of juvenile board members.
 4. **Alcoholic Beverages.** Costs of alcoholic beverages are unallowable.
 5. **Audit Services.** The costs of audits of grants are allowable provided that the audits were performed in accordance with Generally Accepted Auditing Standards, Governmental Auditing Standards and the Commission's current audit requirements.
 6. **Automatic Electronic Data Processing.** The cost of data processing services is allowable.
 7. **Bad Debts.** Any losses arising from uncollectible accounts and other claims and related costs are unallowable.
 8. **Bonding Costs.** Costs of bonding employees and officials are allowable to the extent that such bonding is in accordance with sound business practice.
 9. **Budgeting.** Costs incurred for the development, preparation, presentation and execution of budgets are allowable.
 10. **Communications.** Costs of telephone, mail, messenger and similar communication services are allowable.
 11. **Community-Based Program.** The cost of implementing a community-based program is allowable.
 12. **Compensation for Personnel Services.**

- a. **General.** Compensation for personnel services includes all remuneration, paid currently or accrued, for services rendered during the period of performance under the grant, including but not necessarily limited to wages, salaries and fringe benefits. The costs of such compensation are allowable to the extent that the total compensation for individual employees:
 - i. is reasonable for the services rendered and conforms to the established policy of the Grantee consistently applied to both the Department and non-Department activities;
 - ii. follows an appointment made in accordance with local government laws and rules and meets merit system or other requirements required by law, where applicable; and
 - iii. does not involve grant funds paid as wages or salaries to children receiving services from the Grantee.
- b. **Reasonableness.** Compensation for employees engaged in work on the grant will be considered reasonable to the extent that it is consistent with that paid for similar work in other activities of the Grantee. In cases where the kinds of employees required for the grant are not found in the other activities of the Grantee, compensation will be considered reasonable to the extent that it is comparable to that paid for similar work in the labor market in which the employing government competes for the kinds of employees involved.
- c. **Unallowable Costs.** Costs that are unallowable under other sections of these principles shall not be allowable under this section solely on the basis that they constitute personnel compensation.
- d. **Fringe Benefits.**
 - i. Fringe benefits are allowances and services provided by employers to their employees as compensation in addition to regular salaries and wages. Fringe benefits include, but are not limited to, the costs of leave, employee insurance, pensions and unemployment benefit plans. Except as provided elsewhere in these principles, the costs of fringe benefits are allowable to the extent that the benefits are reasonable and are required by law, the Grantee's employee agreement or an established policy of the Grantee.
 - ii. The cost of fringe benefits in the form of employer contributions or expenses for social security, employee life, health, unemployment, longevity and worker's compensation insurance pension plan costs and other similar benefits are allowable, provided such benefits are granted under established written policies. Such benefits shall be allocated to the grant and all other activities in a manner consistent with the pattern of benefits attributable to the individuals or group(s) of employees whose salaries and wages are chargeable to the grant and other activities.
- e. **Weapons and Firearms.** The purchase of weapons or other firearms proficiency training is allowable only for the benefit of eligible juvenile probation officers who have met the requirements established under the Commission's administrative rules and other applicable law. The purchase of a weapon, firearm, ammunition or related supplies is unallowable.
- f. **Pension Plan Costs.** Pension plan costs may be computed using a pay-as-you-go method or an acceptable actuarial cost method in accordance with established written policies of the Grantee.
- g. **Post-Retirement Health Benefits.** Post-retirement health benefits (PRHB) refers to costs of health insurance or health services not included in a pension plan for retirees and their spouses, dependents and survivors. PRHB costs may be computed using a pay-as-you-go method or an acceptable actuarial cost method in accordance with established written policies of the Grantee.
- h. **Support of Salaries and Wages.** These standards regarding time distribution are in addition to the standards for payroll documentation.
 - i. Charges to a grant for salaries and wages will be based on payrolls documented in accordance with generally accepted practice of the Grantee and approved by a responsible official(s) of the Grantee.
 - ii. No further documentation is required for the salaries and wages of employees who work in a single indirect cost activity.

- iii. Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation.
 - iv. Salaries and wages of employees used in meeting cost sharing or matching requirements of the grant must be supported in the same manner as those claimed as allowable costs under the grant.
- i. **Severance Pay.** Severance pay is unallowable using state funds.
- j. **Donated Services.**
 - i. Donated or volunteer services may be furnished to the Grantee by professional and technical personnel, consultants and other skilled and unskilled labor. The value of these services is not reimbursable either as a direct or indirect cost. However, the value of donated services may be used to meet cost sharing or matching requirements.
 - ii. To the extent feasible, donated services will be supported by the same methods used by the Grantee to support the allocation of regular personnel services.
- 13. **Contingencies.** Contributions to a contingency reserve or any similar provision made for events the occurrence of which cannot be foretold with certainty as to time, or intensity or with an assurance of their happening, are unallowable.
- 14. **Contributions and Donations.** Contributions and donations including cash, property and services by the Grantee to others are unallowable.
- 15. **Defense and Prosecution of Criminal and Civil Proceedings and Claims.** Costs incurred in defense of any civil or criminal fraud proceeding or similar proceedings are unallowable.
- 16. **Depreciation and Use Allowances.** Depreciation and use allowances are unallowable.
- 17. **Disbursing Service.** The cost of disbursing funds by the county auditor, treasurer or other designated officer is allowable.
- 18. **Employee Morale, Health and Welfare Costs.** The costs of health or first-aid clinics and/or infirmaries, recreational facilities, employee counseling services, employee information publications and any related expenses incurred in accordance with the Grantee's policy are allowable. Income generated from any of these activities shall offset against expenses.
- 19. **Entertainment.** Costs of entertainment, including amusement, diversion and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation and gratuities) are unallowable.
- 20. **Equipment and Other Capital Expenditures.** Expenditures for equipment and other capital expenditures are unallowable except when specifically provided for within a grant. Items of equipment with an acquisition cost of less than \$5,000.00 are considered to be supplies and are allowable as direct costs of the grant without specific approval. As used in this section, the following terms have the meanings as set forth below:
 - a. **"Capital Expenditure"** means the cost of the asset including the cost to put it in place. Capital expenditure for equipment means the net invoice price of the equipment, including the cost of any modifications, attachments, accessories or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. Ancillary charges such as taxes, duty, protective in-transit insurance, freight and installation may be included in, or excluded from, capital expenditure cost in accordance with the Grantee's regular accounting practices.
 - b. **"Equipment"** means an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost that equals the lesser of the capitalization level established by the Grantee for financial statement purposes or \$5,000.00.

- c. **"Other Capital Assets"** means buildings, land and improvements to buildings or land that materially increase their value or useful life.
21. **Fines and Penalties.** Fines, penalties, damages and other settlements resulting from violations or alleged violations of, or failure of the Grantee to comply with federal, state, local or Indian tribal laws and regulations are unallowable.
22. **Fund Raising and Investment Management Costs.**
- a. Costs of organized fund raising, including financial campaigns, solicitation of gifts and bequests and similar expenses incurred to raise capital or obtain contributions are unallowable regardless of the purpose for which the funds will be used.
 - b. Costs of investment counsel and staff and similar expenses incurred to enhance income from investments are unallowable.
23. **General Government Expenses.** The general costs of government are unallowable, including:
- a. Salaries and other expenses of local governmental bodies, such as juvenile boards, county commissioners, city councils, and school boards, whether incurred for purposes of legislation or executive direction;
 - b. Cost of the judiciary branch of a government;
 - c. Cost of prosecutorial activities; and
 - d. Other general types of government services normally provided to the general public, such as fire and police.
24. **Gifts or Awards for Employees.** Gifts or awards of recognition (i. e., plaques, gift certificates or meals) to employees not to exceed \$50 per fiscal year are allowable.
25. **Gifts or Awards for Juveniles.** Gifts or awards for juveniles are unallowable.
26. **Idle Facilities.** The costs of idle facilities are unallowable.
27. **Insurance and Indemnification.** Costs of insurance in connection with the general conduct of activities are allowable, provided that the extent and cost of coverage are in accordance with the Grantee's policy and sound business practice.
28. **Interest.** Costs incurred for interest on borrowed capital or the use of a Grantee's own funds, however represented, are unallowable.
29. **Investment Counsel.** The cost of an investment counsel is unallowable.
30. **Lobbying.** The cost of lobbying and associated activities is unallowable.
31. **Maintenance, Operations and Repairs.** The cost of utilities, insurance, security, janitorial services, elevator service, upkeep of grounds, necessary maintenance, normal repairs and alterations is allowable.
32. **Materials and Supplies.** The cost of materials and supplies is allowable. Purchases should be charged at their actual prices after deducting all cash discounts, trade discounts, rebates and allowances received. Withdrawals from general stores or stockrooms should be charged at cost under any recognized method of pricing, consistently applied. Incoming transportation charges are a proper part of materials and supply costs.
33. **Meals and Transportation.** Meals and transportation for a juvenile under supervision are allowable under the non-residential services category.
- a. Meals and transportation for the parents of a juvenile under supervision are unallowable.
 - b. Meals provided for meetings (i.e., juvenile board meetings, trainings or regional meetings) are unallowable.

34. **Memberships, Subscriptions and Professional Activities.**

- a. Costs of the local probation department's staff memberships in business, technical and professional organizations are allowable;
- b. Costs of the local probation department's subscriptions to business, professional and technical periodicals are allowable;
- c. Costs of local probation department's membership in civic, community and social organizations are unallowable; and
- d. Costs of membership in organizations that compensate for lobbying are unallowable.

35. **Motor Pools.** The costs of a service organization that provides automobiles to local probation departments at a mileage or fixed rate and/or provides vehicle maintenance, inspection and repair services are allowable.

36. **Pre-Award Costs.** Pre-award costs are those incurred prior to the effective date of the award directly pursuant to the negotiation and in anticipation of the award where such costs are necessary to comply with the proposed delivery schedule or period of performance. Such costs are allowable only to the extent that they would have been allowable if incurred after the date of the award and only with the written approval of the Department.

37. **Prevention and Early Intervention Services.** Prevention and intervention services intended to prevent or intervene in at-risk behaviors that lead to delinquency, truancy, dropping out of school, or referral to the juvenile justice system are allowable.

38. **Professional Service Costs.** Costs of professional and consultant services rendered by persons or organizations that are members of a particular profession or possess a special skill, except employees of the Grantee, are allowable when reasonable in relation to the services rendered.

39. **Proposal Costs.** Costs of preparing proposals for potential Department grants are allowable.

40. **Psychological/Psychiatric or Medical Evaluation Costs.** Psychological/psychiatric or medical evaluations for juveniles under the jurisdiction of the juvenile court are allowable under the non-residential services category. Psychological/psychiatric or medical evaluations for the parents of the juvenile under supervision are unallowable.

41. **Publication and Printing Costs.** Publication costs, including the costs of printing, distribution, mailing and general handling, are allowable.

42. **Rearrangements and Alterations.** Costs incurred for ordinary and normal rearrangement and alteration of facilities are allowable.

43. **Reconversion Costs.** Costs incurred in the restoration or rehabilitation of the Grantee's facilities to approximately the same condition existing immediately prior to commencement of the Department grants, less costs related to normal wear and tear, are unallowable.

44. **Rental Costs.** Rental costs including but not limited to vehicles and office space are allowable to the extent that the rates are reasonable in light of such factors as rental costs of comparable property, if any; market conditions in the area; alternatives available; and the type, life expectancy, condition and value of the property leased.

45. **Residential Services.** Residential services means the provision of services to a juvenile who has been placed in a TJJD registered pre- adjudication secure detention facility, a TJJD registered short-term secure detention facility (i.e., holdover), a TJJD registered post-adjudication secure correctional facility, a TJJD registered non-secure correctional facility, a residential child-care facility or an out-of-state residential placement facility.

- a. **Pre-Adjudication Secure Detention Facilities.** Grant funds may be utilized to pay for all or part of the costs of the placement of a juvenile into any public or private pre-adjudication secure detention facility in the state of Texas

provided that the facility has been certified and registered in accordance with the Texas Family Code, Section 51.12. This includes a short-term secure detention facility (i.e., holdover).

- b. **Post-Adjudication Secure Correctional Facilities.** Grant funds may be utilized to pay for all or part of the costs of the placement of a juvenile into any public or private post-adjudication secure correctional facility provided that it has been certified and registered in accordance with Section 51.125 of the Texas Family Code.
 - c. **Non-Secure Correctional Facilities.** Grant funds may be utilized to pay for all or part of the costs of the placement of a juvenile into any public or private non-secure correctional facility provided that it has been certified and registered in accordance with Section 51.126 of the Texas Family Code.
 - d. **Residential Child-Care Facility.** Grant funds may be utilized to pay for all or part of the costs of placement of a juvenile into a residential child-care facility in this state that is licensed by the Texas Department of Family and Protective Services or other regulatory authority if said facility is required to possess such a license. Grant funds may be utilized to pay for all or part of the costs of a placement of a juvenile into a residential child-care facility if the facility is accredited in accordance with the provisions of Chapter 42, Subchapter E of the Human Resources Code regarding Accreditation of Child-Care Facilities and Child-Placing Agencies.
 - e. **Out-of-State Residential Placement Facility.** Grant funding can be utilized to pay for all or part of the costs of an out-of-state placement of a juvenile into any residential placement facility in a state outside of Texas, both public and private, that is licensed, regulated or certified by a governmental entity in the state where the facility is located.
46. **Other Funding Sources.** Other sources of funds, such as court-ordered child support payments and social security payments with the exclusion of IV-E Federal funds, shall be contributed towards the individual juvenile's placement cost for residential services.
47. **Services in Foreign Country.** Grant funds shall not be expended for the purchase of services to be provided in a foreign country.
48. **Tobacco Products.** Grant funds expended for tobacco products are unallowable.
49. **Taxes.** Taxes that a Grantee is legally required to pay are allowable.
50. **Training.** The cost of training that is related to employment provided for employee development is allowable.

Firearms Training. The purchase of firearms proficiency training is allowable only for the benefit of eligible juvenile probation officers who have met the requirements established under the Department's administrative rules and other applicable law.

51. **Travel Costs.**

- a. **General.** Travel costs are allowable for expenses for transportation, lodging, subsistence and related items incurred by employees traveling on official business. Such costs may be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip and results in charges consistent with those normally allowed in like circumstances in non-Department sponsored activities. In no event can reimbursement rates exceed the established travel rates for the state of Texas.
- b. **Lodging and Subsistence.** Costs incurred by employees and officers for reasonable and necessary travel expenses required to fulfill the requirements of the State Financial Assistance Contract and requirements of the individual grants administered by the department, including lodging, per-diem rates including meals, other subsistence and incidental expenses and mileage, shall be reimbursed at rates either specified by the State of Texas in Article IX, Part 5 of the General Appropriations Act and listed on the following US General Services Administration website:
http://www.gsa.gov/portal/content/104877?utm_source=OGP&utm_medium=print-radio&utm_term=portal/category/21287&utm_campaign=shortcuts

- c. **Commercial Air Travel.** Airfare costs in excess of the customary standard (i.e., coach or equivalent) airfare are unallowable except when such customary standard accommodations would require circuitous routing, require travel during unreasonable hours, excessively prolong travel, greatly increase the duration of the flight, result in increased cost that would offset transportation savings or offer accommodations not reasonably adequate for the medical needs of the traveler. However, in order for airfare costs in excess of the customary standard commercial airfare to be allowable (i.e., use of first-class airfare), the Grantee must justify and document on a case-by-case basis the applicable condition(s) set forth above.
 - d. **Out-of-State Travel.** Grant funds shall not be expended for travel outside Texas or the United States unless a *Request to Use TJJD Funds to Attend Out-of State Training* [TJJD-CER-01-11] has been submitted by the Grantee and prior written approval of the trip and projected costs for such travel has been granted by the Department.
 - e. **Lobbying.** The costs of travel expended for the purpose of lobbying and associated activities are unallowable.
52. **Weapons.** The purchase of a weapon, firearm, ammunition or related supplies is unallowable.
53. **Fund-Raising or Charitable Spending.** Grant funds used to contribute to a fundraising or charity event are unallowable.

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For the faithful performance of the terms of this Contract, the parties hereto in their capacities as stated, execute this Contract, affix their signatures and bind themselves.

THE STATE OF TEXAS, Acting By and Through the Texas Juvenile Justice Department

By: _____ Typed Name: Judy Garza-Ybarbo
Title: Contract Administrator Date: _____

GRANTEE, The Juvenile Board of _____ County

By: _____ Typed Name: _____
(Juvenile Board Chairperson)
Title: _____ Date: _____

By: _____ Typed Name: _____
(Chief Administrative Officer)
Title: _____ Date: _____

By: _____ Typed Name: _____
(Fiscal Officer)
Title: _____ Date: _____

EXHIBIT "B"
JUVENILE BOARD RESOLUTION

STATE OF TEXAS

COUNTY OF

On this the _____ day of _____, 20____, a duly called and lawfully convened meeting of the Juvenile Board of _____ County/Judicial District was held in the City of _____, pursuant to the Texas Open Meetings Act. A quorum of the Members was present, to wit:

(Insert Names of Juvenile Board Members Present)

where, among other matters, came up for consideration and adoption the following Resolution:

Whereas, the Texas Juvenile Justice Department has made available and offered state financial assistance monies to assist local juvenile boards in the provision of juvenile probation services or the operation of a pre-adjudication secure detention facility, a short-term secure detention facility (i.e., holdover), a post-adjudication secure correctional facility, a non-secure correctional facility, a juvenile justice alternative education program or a juvenile justice program; and

Whereas, the Juvenile Board of _____ County/Judicial District voluntarily wishes to participate in the aforementioned state financial assistance grants and agrees to the binding terms in this Contract, and all documents which have which has been incorporated into this Contract by reference; and

Whereas, the Juvenile Board believes that execution of the State Financial Assistance Contract for the 2014-2015 state biennium will further the interests of juvenile justice in this county and are in support of this resolution; and

Whereas, the Texas Juvenile Justice Department has made available and offered state financial aid monies to assist local juvenile boards in the implementation of the Progressive Sanctions Model; and

Whereas, the 83d Texas Legislature has appropriated state financial aid monies for community-based diversionary placements, programs and services for juvenile offenders in order to reduce commitments to the Texas Juvenile Justice Department; and

Therefore, Be It Resolved that the Juvenile Board of _____ County/Judicial District does hereby formally authorize and approve execution of the State Financial Assistance Contract for the 2014-2015 biennium.

Further Be It Resolved that the current Juvenile Board Chairman, _____ be, and is hereby, authorized to sign this Resolution and any amendments pertaining to the State Financial Assistance Contract that may be subsequently ratified as the act and deed of the Juvenile Board of _____ County/Judicial District.

The foregoing Resolution was lawfully moved by _____, duly seconded by _____, and duly adopted by the Juvenile Board on a vote of _____ members for the motion and _____ opposed.

Printed Name of Juvenile Board Chair

Signature of Juvenile Board Chair

Date Signed